

By: Perez, Cain, Oliverson,  
A. Johnson of Harris

H.B. No. 1706

Substitute the following for H.B. No. 1706:

By: Oliverson

C.S.H.B. No. 1706

A BILL TO BE ENTITLED

AN ACT

relating to the right of an insured to enter into a contract with a  
public insurance adjuster.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 4102, Insurance Code, is  
amended by adding Section 4102.007 to read as follows:

Sec. 4102.007. RIGHT TO CONTRACT WITH LICENSE HOLDER. (a)  
Notwithstanding Sections 4001.002 and 4102.002, this section  
applies to a commercial or residential property insurance policy  
issued by an insurer, including:

(1) a capital stock insurance company;  
(2) a mutual insurance company;  
(3) a county mutual insurance company;  
(4) a Lloyd's plan;  
(5) a reciprocal or interinsurance exchange;  
(6) a farm mutual insurance company; and  
(7) an eligible surplus lines insurer if this state is  
the insured's home state as defined by Section 981.002.

(b) An insured has the right to enter into a contract with a  
license holder to help the insured meet the insured's obligations  
under the insured's insurance policy. An insurance policy issued  
in this state may not impede or prohibit this right.

(c) An insured is not required to enter into a contract  
described by Subsection (b).

1           SECTION 2.   Section 4102.007, Insurance Code, as added by  
2   this Act, applies only to an insurance policy delivered, issued for  
3   delivery, or renewed on or after January 1, 2024.

4           SECTION 3.   This Act takes effect September 1, 2023.